

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 2336 - SB 2456**

February 24, 2014

**SUMMARY OF BILL:** Requires the state to reimburse local education agencies (LEAs) for all expenditures or debt incurred by local education agencies (LEAs) to bridge the technology gap in order to administer the Partnership for Assessment of Readiness for College and Careers (PARCC) assessment. Reimbursement may be made for expenditures or debt incurred before or after July 1, 2014.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Exceeds \$20,000,000**

**Increase Local Revenue – Exceeds \$20,000,000**

**Assumptions:**

- In FY13-14, the state budgeted \$51,000,000 in non-recurring expenditures to help LEAs with their technology gap in order to prepare for PARCC.
- The total amount of LEA expenditures that have been made or will be made in the future in preparation for PARCC is unknown.
- The total amount of debt already incurred by LEAs, and the amount of debt that LEAs will incur in the future, in preparation for PARCC is unknown.
- There is no limit on the amount or number of technology items for which LEAs may annually request reimbursement.
- Past and future technology purchases by LEAs attributed to PARCC will be reimbursed.
- Based on information provided from the Department of Education, and the amount of local match funding for technology within the Basic Education Program (BEP) funding formula (\$5,000,000), it is reasonably estimated that the recurring increase in state expenditures will exceed \$20,000,000 statewide; as a result, the recurring increase in local revenue to the LEAs is estimated to exceed \$20,000,000.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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